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Payment of the price of sugarcane in instalments.

* 191 *Q*.—SRI K. GOVINDA RAO : Will the Hon. the Minister for Agriculture be pleased to state—

(*a*) whether it is a fact that the Government have issued orders to the effect that the price of sugarcane supplied to the sugar factories be paid in two instalments instead of one ;

(*b*) whether it is a fact that the second instalment would be paid six months after the delivery of cane, that is, by 31st October and if so, what is he basis for this order ; and

(*c*) whether the Government took into consideration the duration of the crushing season in the State at the time of passing the order?

THE HON. DR. R. NAGAN GOUDA :—" (*a*) The Government of India and not this Government have issued the orders in question.

" (*b*) The last date by which the second instalment should be paid has been notified by the Central Government as 31st October 1952.

" (*c*) Does not arise as the Government of India issued the order."

SRI K. GOVINDA RAO :—" In view of the fact that the crushing season in the State of Madras commences from the month of November and lasts until April, have the Government of Madras urged upon the Central Government that Madras should be exempted from the operation of this order? "

THE HON. DR. R. NAGAN GOUDA :—" Yes, Sir."

SRI K. RAJAGOPALA RAO :—" Most of the peasants in Vuyyur Sugar Factory area gave their sugarcane to the factory as early as 18th April 1952. May I know whether the Government will consider measures to pay their dues as early as possible? "

THE HON. DR. R. NAGAN GOUDA :—" It is not the Madras Government but the concerned factory that has got to pay for the sugarcane supplied."

SRI G. NAGABUSHANAM :—" What is the remedy if the amount is not paid in time, Sir? "

THE HON. DR. R. NAGAN GOUDA :—" The cane-grower, who is the supplier, and the factory owners have entered into an agreement, which is binding on both the parties. It is up to them to enforce the agreement."

SRI T. VISWANATHAM :—" The Hon. Minister has told us that it was the Government of India who issued this order. May I draw his attention to section 12 of the Madras Sugar Factories Control Act in which it is said that the Government may, after consulting the advisory committee by notification, ask the owner of the factory to pay the price payable by him under this section? When such is the case, will the Hon. Minister explain how the Central Government issued this order? "

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THE HON. DR. R. NAGAN GOUDA :—" Till about the year 1950, this Government used to fix the price of sugarcane. Since 1950, the Government of India have taken over the powers under, I believe, the Sugar and Gur Control Order, so that they could fix the price of sugarcane on an All-India basis."

SRI M. VEERABHADRAM :—" Will the Government say when the representation was made to the Government of India, in this connexion? "

THE HON. DR. R. NAGAN GOUDA :—" Immediately after the Government of India issued their orders, this Government made the representation."

SRI T. VISWANATHAM :—" It is clear from the answer of the Hon. Minister that the Centre have taken the powers of the Madras Government. May I know whether this Government have made representations to the Government of India that they should not be deprived of their powers in this manner? "

THE HON. DR. R. NAGAN GOUDA :—" Well, Sir, the Government of India have been fixing the price of sugarcane on an All-India basis only for the last two years."

SRI K. GOVINDA RAO :—" May I know, what was the reply of the Central Government to our representation? Did the Central Government take the views of any committee when they said that prices could be paid in two instalments? "

THE HON. DR. R. NAGAN GOUDA :—" So far as the latter part of the question is concerned, I want notice, Sir. For the former part, I shall say that we represented that since the end of our crushing season is about the 30th of June, it is necessary that payment for sugarcane should be made completely before the end of June. But the Government of India could not agree to it."

SRI V. R. NAGARAJAN :—" There are a large number of small agriculturists who grow sugarcane and sell it to the factories. If the payment of the price of their sugarcane is postponed till October, it would work great hardship on these poor agriculturists. Will the Madras Government, therefore, make effective representation to the Centre to direct that payment should be completed at least before the end of June? "

THE HON. DR. R. NAGAN GOUDA :—" The hon. Member should realize that the month of June is over. July is partially over and we are entering into the month of August. I quite agree that the postponement of payment would cause great hardship to the agriculturists. Not only the small cultivators but even the big cultivators will be hit. The sugarcane growers have planted their sugarcane as early as April 1951. We have made representations to the Government of India that if payment is delayed till the end of October 1952, it will work untold hardship on the poor cultivator and he will not be able to carry on his cultivation for the next season."

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SRI C. V. K. RAO :—" With regard to the fixation of price of sugarcane, may I know whether the recommendations of the Tariff Board in this regard are taken note of? ".

THE HON. DR. R. NAGAN GOUDA :—" It is the Government of India who do the job of fixing the price of sugarcane, Sir."

SRI T. VISWANATHAM :—" May I know whether the Government of India consulted the Madras Government before fixing the present instalments of payment for sugarcane and if so, what was the representation made by this Government in that connexion? "

THE HON. DR. R. NAGAN GOUDA :—" In the correspondence that went on between this Government and the Centre, we definitely stated that no payment should be delayed beyond the 30th June."

SRI PILLALAMARRI VENKATESWARLU :—" May I know what were the specific reasons given by the Government of India for allowing payment in two instalments? In view of the fact that many hon. Members of this House are of opinion that the payment should be made in one instalment, will the Government of Madras urge upon the Centre to direct the payment to be made in one single instalment? "

THE HON. DR. R. NAGAN GOUDA :—" Hon. Members know that during the year 1951–52 we had a bumper crop of sugarcane. Consequently the stocks of sugar in the factories increased and they were not able to dispose of all their stocks. Nor were they able to get the necessary financial help from the Reserve Bank or local banks to pay to the cane-growers this year. Consequently the factory owners were put to difficulty. As a sort of help to them, the present arrangement of payment in two instalments has been made. These are the instructions from the Government of India."

SRI T. VISWANATHAM :—" Does it mean that the factory owners of Madras have got greater pull with the Government of India than the Madras Government? "

THE HON. DR. R. NAGAN GOUDA :—" I do not think so, Sir."

UNSTARRED QUESTIONS.

5. *Q.*—SRI M. NARAYANA KURUP : Will the Hon. the Minister for Agriculture be pleased to state the amount expended by the Government on account of 'Grow More Food' Campaign from April 1940 and inclusive of March 1952?

A.—The Grow More Food Campaign was started in Madras State in the year 1943. The following statement shows the total actual gross expenditure on account of all Grow More Food Schemes (both irrigation schemes and agricultural schemes) from 1943–44 up to 1951–52. The figures represent only the total *gross expenditure* and